



2023 End of Session Report Health and Human Services

Human Services Omnibus Bill: SF2934 (Hoffman/Noor) 2023 Session Law, Chapter 61

***Note that this report was co-written by MICA and MACSSA.**

The final Human Services Omnibus Finance bill was completed in the final week of the session. In total, the bill appropriates \$14.11 billion during the 2024-25 biennium with \$1.35 billion in new spending and \$1.56 billion in the FY26-27 biennium). Major spending in the bill includes:

- \$653.7 million for Medical Assistance (MA)
- \$122.09 million for elderly waiver increases and consumer-directed community supports parity
- \$100 million one-time appropriation for a nursing home grant program
- \$90 million for long-term care workforce incentive grants and \$30 million for long-term care workforce grants for new Americans
- \$86.66 million to modify inflation adjustments in the disability waiver rate system (DWRS)
- \$46.59 million for disability and elderly waiver homemaker rate alignment
- \$23.16 million for phase two of the Vulnerable Adult Act redesign
- \$22.84 million to increase rates for home care nursing
- \$18.6 million for safe recovery sites
- \$10.64 million a rate floor and annual inflation adjustments to intermediate care facilities for persons with developmental disabilities (ICF-DDs)

As seen above, there are a significant number of rate increases (at various levels and timelines) throughout the bill:

- adult day services, day support
- prevocational, employment unit-based services
- personal care assistance and CFSS
- customized living rate increase
- consumer-directed community supports
- home care services
- increase in annual limit for specialized equipment and supplies
- certain disability waiver services (chore services and home-delivered meals)
- early intensive developmental and behavioral intervention benefits
- ICF-day training and habilitation services

[Other reference documents for SF2934:Final conference committee spreadsheet](#)



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Article 1 – Disability Services

- Sections 5, 27, 47: establishes life sharing as a basic support service, as defined in the brain injury, community alternative care, community access for disability inclusion, and developmental disabilities waiver plans
- Section 6: creates policy for community residential settings and remote overnight supervision
- Section 7: directs DHS to establish a statewide technical assistance center to provide resources and assistance to programs, people and families to support individuals with disabilities achieve meaningful and competitive employment in integrated settings. *\$450,000 (FY24); \$1.8 million (FY25)*
- Section 8: directs DHS to establish a grant program to expand lead agency capacity to support people with disabilities to contemplate, explore and maintain competitive, integrated employment options. Funding can be used to enhance resources and staffing, implement and test innovative approaches to support individuals, and other DHS-approved activities. *\$500,000 (FY24), \$2.5 million (FY25); \$5 million (FY26-27)*
- Section 10: establishes a long-term services and supports workforce incentive grant program for retention, recruitment and incentive payments. *\$90m (FY24); \$2.03 million per year ongoing*
- Section 11: directs DHS to establish a technology for home grant program to provide assistive technology consultations and resources for people with disabilities who desire to stay in their own home. *\$300,000 per year*
- Section 12: amends “instrumental activities of daily living” to define travel as driving and accompanying the recipient in their chosen mode of transportation according to their personal care assistance care plan. *\$1.7 million (FY24-25)*
- Sections 13, 15, 16: modifies documentation and requirements related to PCA driving/travel services, effective for 90 days after federal approval. *\$1.69 million (FY24-25)*
- Section 14: allows for remote communications with primary health care providers for individuals with chronic health conditions, by request
- Section 17: eliminates requirement for MnCHOICES assessors have “at least one year of home and community-based experience”
- Sections 18 and 20: requires HCBS case managers to have 20 hours of case management education (changed from 10) and must include “informed choice, cultural competency, employment planning, community living planning, self-direction options, and use of technology supports.” By August 1, 2024, all case managers must complete; for individuals hired after that date, training must be provided within 6 months of being hired. *\$1.4 million (FY24-25); \$416,000 (FY26-27)*
- Section 19: expands definition of requirements for EIDBI providers to include individuals certified by a Tribal Nation *\$27,000 (FY24-25); \$46,000 (FY26-27)*
- Section 21: expands Minnesota policy intent for individuals with disabilities to include that individuals will be offered benefits planning assistance and supports to understand available work incentive programs and to understand the impact of work on benefits
- Section 22: requires DHS to provide data on individuals currently being paid subminimum wages or were as of August 1, 2023. *\$449,000 (FY24-25); \$578,000 (FY26-27)*



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- Sections 23, 84: allows for MA payments under consumer-directed community supports to include parents/spouses providing personal assistance services (each parent can provide up to 40 hours; one parent or spouse, up to 60 hours in a seven-day period) *\$4.1m (FY24-25); \$7.4m (FY26-27)*
- Section 26: directs DHS to establish homemaker services rates for waiver services equal to the homemaker rates under non-waiver services. *\$46.6 million (FY24-25); \$74.9 million (FY26-27)*
- Section 44: directs that providers paid with rates under subdivision 6, 7, 8, and 9 must use a minimum percentage (45-66%) of revenue generated from rates for direct care staff compensation
- Sections 48-50, 70: increases ICF/DD daily operating rates and rate floors for class A and B facilities and ties rate increases to inflation after January 1, 2025. *\$10.6 million (FY24-25); \$15.2 million (FY26-27)*
- Section 52: modifies rates for parents or spouses providing CFSS services to minor children or spouses (each parent may provide up to 40 hours in a seven-day period with a total of hours not to exceed 80 hours) *\$384,000 (FY24)*
- Section 56: allows an individual receiving MN supplemental aid to also receive section 1619(b) Social Security Act
- Section 59: creates provider capacity grants for rural and underserved communities for providers to create new HCB organizations and connecting underserved communities to benefits and services. *\$17.15 million (FY24); available through June 2027*
- Section 60: directs DHS to establish a new American legal, social services, and long-term care workforce grant program for organizations that serve and support new Americans. Eligible applicants include nonprofits, governmental units and tribes to help individuals meet basic needs while seeking legal or citizenship status. *\$7 million (FY24); available through June 2027 for legal and social services grants; \$28.32 million (FY24) for long-term care workforce grants*
- Section 61: creates general operating grants for nonprofits, counties, and Tribes to provide and promote supported decision making as an alternative to more restrictive forms of decision making. At least 75% must be used to fund programs, and no more than 20% may be used to fund county or Tribal programs. *\$4 million (FY24); available through June 2025*
- Section 62: allows DHS to approve/deny exceptions to the moratorium on corporate foster care licenses through December 31, 2023. *\$500,000 (FY24)*
- Section 63: directs DHS to review the MA early intensive developmental and behavioral intervention (EIDBI) service and evaluate the need for licensure or regulatory modifications. *\$475,000 (FY24-25)*
- Section 66: directs DHS to seek federal waivers and move forward (in absence of waiver) with 8.49% increase for consumer-directed community support budgets in waiver plans by January 1, 2024, and 4.53% increase effective January 1, 2025
- Section 67: establishes a pilot project (the MN Direct Care Service Corps) through the Metropolitan Center for Independent Living to utilize financial incentives to attract postsecondary students to work as personal care assistants or direct support professionals. Report on the pilot is due January 15, 2025. *\$500,000 (FY24)*



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- Sections 68-73: directs DHS to increase payment rates for certain disability waiver services, EIDBI benefits, ICFDD and day training and habilitation services
- Section 74: directs DHS to evaluate options to expand services and address barriers to HCB waiver services to decrease the number of people who remain in hospitals, jails and other acute settings. *\$350,000 (FY24-25)*
- Section 75: directs DHS to establish a temporary grant for certain customized living providers, community residential services providers and integrated community supports providers for physical plant updates and other technical assistance. *\$6.99 million (FY24-25)*
- Section 76: directs DHS to issue report on how MA service providers could be reimbursed for providing supported decision-making services by December 15, 2024
- Section 77: directs DHS to seek HCBS waiver plans regarding shared services to expand access to shared services, including guidance on how lead agencies determine that shared services are appropriate to meet the needs of the individual for whom lead agency provides case management or care coordination. *\$417,000 (FY24-25); \$43,000 (FY26-27)*
- Section 78: directs DHS to establish a rate system for shared homemaker and shared chore services by January 1, 2024. *Savings of \$6.4 million (FY26-27)*
- Section 79-80: directs DHS, DEED and MDE to conduct an interagency alignment study on employment supports for people with disabilities to evaluate service rates, provider enrollment, and monitoring standards and eligibility processes. Directs those same agencies to provide a legislative report with a plan to track employment outcomes served by agency programs and any needed changes to law to support this outcome tracking. *\$378,000 (FY24-25); \$394,000 (FY26-27)*
- Section 81: directs DHS to study presumptive eligibility for long-term services and supports by January 1, 2025. *\$1.3 million (FY24)*
- Section 82: creates an Acute Care Transitions Advisory Council to advise and assist DHS in establishing and implementing a statewide vision and systemic approach to acute care transitions. Membership includes one member from MACSSA, one from LPHA, and one member representing a tribal government. The council expires in October 2024

Article 2 – Aging Services

- Section 1: modifies former Indian elders position to Native American elders coordinator position and makes changes to scope of purview. *\$441,000 per year*
- Section 2: establishes Live Well at Home grants for projects to create incentives for new and expanded home and community-based services to reach older adults early in the progression in their need for long-term services and supports. Expands previous grant eligibility to include caregiver support and respite care projects. *\$4.58 million (FY24); available through June 2025*
- Section 3: directs MN Board on Aging to establish a caregiver respite services grant program to increase availability for family caregivers of people with dementia and older adults. *\$1.8 million (FY25)*



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- Section 7: Vulnerable Adult Act Redesign provisions, including modifications to vulnerable adult act and adult protection grant allocations. These changes include inclusion of tribal nations that have voluntarily chosen to participate in vulnerable adult protection programs. Also directs DHS to set vulnerable adult protection measures and standards for money received by counties, with up to 20% allowed to be redirected toward an underperforming county's performance improvement plan. *Total redesign costs \$23.2 million (FY24-25); \$7.6 million (FY26-27); grants to counties and tribes – \$17.13 million (FY24); available through June 2027*
- Section 38: directs DHS to continue the respite services for older adults program created in 2021 and create a permanent program
- Section 39: directs DHS and MDH to consult with customized living providers with fewer than 11 beds to compile a list of particularly challenging regulatory requirements
- Section 40: directs a payment rate increase for community living assistance and family caregiver services (14.99% increase from rates in effect at end of this calendar year)
- Section 41: directs DHS to contract for study of nursing facility payment rates. *\$680,000 (FY24)*

Article 3 – Health Care

- **Sections 1, 13: eliminates parental contribution under TEFRA (Tax Equity and Fiscal Responsibility Act) option of care. *\$21.2 million (FY24-25), \$26.8 million (FY26-27)***
- Section 2: requires that upon MA enrollment, and at least annually thereafter, DHS shall provide information on MA for employed persons with disabilities to all enrollees who indicate they have a disability
- Section 3: disregards spousal incomes for seniors when determining MA eligibility
- Section 4: eliminates MA premium costs for employed persons with disabilities, allowing individuals previously disenrolled for nonpayment of premiums to reapply without paying past due premiums. *\$14.1 million (FY24-25); \$30.3 million (FY26-27)*
- Sections 5, 7, 8: increases rates (by 10%) for non-emergency medical transportation and fuel price adjuster. Directs managed care and county-based purchasing plans to provide a fuel adjustment for NEMT rates when fuel costs exceed \$3 per gallon. *Rate increase: \$5.9 million (FY24-25); \$9.7 million (FY26-27) – NEMT and ambulance fuel adjustment: \$2.5 million (FY24-25); \$1.7 million (FY26-27)*
- Section 6: increases fuel adjuster for ambulance services and directs managed care and county-based purchasing plans to provide a fuel adjustment for ambulance services when fuel costs exceeds \$3 per gallon. *NEMT and ambulance fuel adjustment: \$2.5 million (FY24-25); \$1.7 million (FY26-27)*
- Section 10: creates MA coverage for hospice respite and end-of-life care benefit for children who elect to receive hospice care delivered in residential hospice facilities



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Article 4 – Behavioral health

- Sections 1, 2: creates the Office of Addiction and Recovery within Minnesota Management and Budget (rather than DHS)
- Sections 3-5, 6, 8, 14, 20, 26: creates definition of sober homes and modifies regulations; creates a sober home bill of rights; directs DHS to survey sober home settings and collect information on currently provided services. *\$407,000 (FY24-25); \$642,000 (FY26-27)*
- **Section 7: modifies 48-hour rule clock to begin when the Office of the Medical Director or designee determines that a medically-appropriate bed is available. This expires June 30, 2025**
- **Section 9: allows a county to be an eligible vendor of peer recovery services for MA billing purposes. *\$170,000 (FY24-25); \$270,000 (FY26-27)***
- Section 11: directs DHS to update SUD treatment services with medications for opioid use disorder to be equal to locality-adjusted Medicare rates for comparable services. Does not apply to FQHCs, rural health centers, Indian health services, and CCBHCs.
- Section 12: establishes start-up and capacity-building grants for prospective or new withdrawal management programs. *\$1.7 million (FY24-25); \$2.2 million (FY26-27)*
- Section 13: establishes start-up and capacity-building grants for current or prospective harm reduction organizations to promote health, wellness, safety and recovery to people in active stages of substance use disorder. *\$4 million (FY24); available through June 2027*
- Section 15: directs DHS to establish training opportunities for SUD treatment providers and applicable Tribal licenses to increase knowledge and develop skills for adopting evidence-based and promising practices. *\$606,000 (FY24-25); \$636,000 (FY26-27)*
- **Section 18: directs Crow Wing County to negotiate a supplementary rate not to exceed \$750 per month for a housing support provider operating a long-term residential facility. *\$1.2 million (FY24-25); \$1.6 million (FY26-27)***
- Section 21: establishes culturally-responsive recovery community organizational grants for staffing, training, and other costs. *\$4.4 million (FY24)*
- Section 22: establishes start-up and capacity-building grants for prospective or new SUD treatment programs serving parents with their children. *\$11.26m (FY24)*
- Section 23: directs DHS to evaluate the feasibility, potential design, and federal authorities needed to cover traditional healing, behavioral health services in correctional facilities, and contingency management under the MA program
- **Section 24: directs DHS to convene a work group of “community partners” to evaluate the opioid treatment program model under MN statutes and make recommendations on overall design. Report due January 15, 2024**
- Section 25: directs DHS to consult with providers, counties, tribes, recovery community organizations, and larger recovery community to develop recommendations on whether entities seeking vendor eligibility for MA peer recovery support services should be subject to additional provider enrollment and oversight requirements. The report is due February 1, 2024. *\$136,000 (FY24)*



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- Section 27: repeals Minnesota Statutes, sections 246.18, subd 2 and 2a (see below):
 - Subd. 2. **Behavioral health fund.** Money received by a substance use disorder treatment facility operated by a regional treatment center or nursing home under the jurisdiction of the commissioner of human services must be deposited in the state treasury and credited to the behavioral health fund. Money in the behavioral health fund is appropriated to the commissioner to operate substance use disorder programs.

Subd. 2a. **Disposition of interest for the behavioral health fund.** Beginning July 1, 1991, interest earned on cash balances on deposit with the commissioner of management and budget derived from receipts from substance use disorder programs affiliated with state-operated facilities under the commissioner of human services must be deposited in the state treasury and credited to a substance use disorder account under subdivision 2. Any interest earned is appropriated to the commissioner to operate substance use disorder programs according to subdivision 2.

Article 5 – Opioid Epidemic Response and Overdose Prevention

- **Section 1: requires school districts and charter schools to maintain supply of opiate antagonists.**
- **Section 3: requires community corrections programs to maintain a supply of opioid antagonists. Each site must have two doses and staff must be trained in administering. *\$1 million (FY24-25) for training***
- Section 4: directs Department of Corrections to provide individuals with known or stated histories of opioid use with emergency opiate antagonist rescue kits upon release
- Sections 5, 10: directs DHS to establish a voluntary, statewide opioid overdoses surge text message alert system to prevent opioid overdose. Directs DHS to collaborate with local agencies, other state agencies and other harm reduction agencies to promote and improve the system. *\$359,000 (FY24-25); \$372,000 (FY26-27)*
- Sections 6-7: requires SUD treatment, children’s residential facility SUD treatment, detox, withdrawal management, and intensive residential treatments services providers to maintain a supply of opiate antagonists and have written protocol by physicians for administration.
- Section 8: directs Opiate Epidemic Response Advisory Council (OERAC) to meet with each of the 11 federally-recognized tribal nations individually on an annual basis
- Section 9: adds one urban American Indian community representative to the OERAC.
- Section 10: directs various appropriations from the opioid registration and license fee account, including:
 - *\$2 million (FY24-25); \$4 million (FY26-27)* for grants to tribes and 5 urban Indian communities for traditional healing practices and to increase capacity for culturally-specific providers in the behavioral health workforce
 - *\$100,000* for opiate antagonist distribution (DHS)
 - *Additional \$395,000 (FY24); \$415,000 per year thereafter* for the opioid overdose surge alert system



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- Section 11: allows for OERAC-appropriated funds to be used for three years following appropriation
- Section 12: directs site-based and group housing support settings to maintain a supply of opiate antagonists and provide staff training
- Section 14: directs DHS to establish an SUD public awareness campaign with strategies to prevent SUD, reduce stigma, and ensure individuals know how to access treatment, recovery and harm reduction services. *\$1.58 million (FY24); available through June 2027*
- Section 15: establishes grants to Tribal Nations or culturally-specific organizations to enhance and expand capacity to address the impacts of opioid epidemic in communities. May be used for harm reduction supplies, develop infrastructure, and expand outreach. *\$8 million (FY24); available through June 2027; additional \$5 million (FY24) for technical assistance*

Article 6 – Opioid Prescribing Improvement Program (no provisions of interest)

Article 7 – Licensing (no provisions of interest)

Article 8 – Direct Care and Treatment

- **Sections 1-3, 8-11: establishes the Department of Direct Care and Treatment, effective January 1, 2025. \$7.8 million (FY24-25); \$7.5 million (FY26-27)**
 - *Program modifications – savings \$7.2m (FY24-25); \$7.9 million (FY26-27)*
 - *Current service levels - \$99.7 million (FY24-25); \$110.3 million (FY26-27)*
 - *Electronic health record - \$48.2 million (FY24-25); \$6.3 million (FY26-27)*
 - *Operating deficiency - \$4.8m (FY23)*
- Sections 4, 12: allows DHS to lease buildings not needed for current state use
- **Sections 5-6: eliminates county cost share for mentally ill and dangerous individuals who await transfer from one state-operated facility to another. Effective July 1, 2023, through June 30, 2025. \$13.2 million (FY24-25)**
- **Section 13: creates a Task Force on Priority Admissions to State-Operated Treatment Programs to evaluate the impact of the requirements for priority admissions under the 48-hour rule.** Task Force includes 1 AMC member, 1 MACSSA. Task Force is directed to evaluate the impact of priority admissions required under 48-hour rule on the ability of the state to serve all individuals in need of care in state-operated treatment programs. Report is due February 1, 2024; the Task Force expires on June 30, 2024. *\$105,000 (FY24-25)*



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Article 9 – Appropriations

Provisions in this article are generally simple appropriations that do not have extensive policy language attached to them:

- Grants to Family Enhancement Center to develop, maintain, and expand community-based social engagement to help families dealing with trauma and mental health issues develop connections with each other. *\$400,000 (FY24); available through June 2025*
- Lottery prize fund appropriation for a grant to state affiliate recognized by the National Council on Problem Gambling. *\$225,000 per year*
- Expansion of Project ECHO in Hennepin County for four SUD-focused programs at Hennepin Healthcare. *\$2.8 million (FY24-25)*
- Grant to White Earth Nation to develop individualized Native American-centric digital therapy tool. *\$3 million (FY24)*
- Wellness in the Woods grant for daily peer support and individual sessions for individuals in SUD recovery transitioning out of incarceration. *\$300,000 (FY24); \$300,000 (FY25)*

Spreadsheet Appropriations

The following provisions are significant expenditures that cover several sections of the bill that may not be easily noted in the summary format above. They are found only on the spreadsheet and are not reflected in the bill language:

- Line 213: modifications to DWRS inflation adjustments; *\$86.7 million (FY24-25); \$225.2 million (FY26-27)*
- Line 252: CFSS rate framework modifications; *\$341.6 million (FY24-25); \$547.9 million (FY26-27)*
- Line 282: Elderly waiver rate increase and CDCS parity; *\$122.1 million (FY24-25); \$290.1 million (FY26-27)*
- Line 292: BI, CADI, and Customized 12% living increase; *\$35.7 million (FY24-25); \$84.9 million (FY26-27)*
- Line 311: other HCBS rate increases; *\$20.2 million (FY24-25); \$28.5 (FY26-27)*
- Line 453: MnCHOICES modifications and support plan funding; *\$813,000 (FY24-25); \$650,000 (FY26-27)*
- Line 472: disability-inclusive worksite training and certification; *\$415,000 (FY24-25); \$380,000 (FY26-27)*
- Line 478: MnCHOICES operations funding; *\$5.5 million (FY24-25); \$2.3 million (FY26-27)*
- Line 633: additional funding for training the peer workforce; *\$42.5m (FY24)*
- Line 777: improving the MA experience for people with disabilities; *\$7.99 million (FY24-25); \$2.2 million (FY26-27)*
- Line 930: self-advocacy grants for persons with intellectual and developmental disabilities; *\$646,000 (FY24-25)*
- Line 943: Parent-to-parent program grant; *\$1.1 million (FY24-25)*
- Line 947: Family Voices in MN grant; *\$150,000 (FY24-25); \$150,000 (FY26-27)*